

**RENEWAL AND AMENDMENT NO. 6
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER (COUNTY OF MONTEREY) AND
BIOMEDICAL SYSTEMS CORPORATION**

THIS RENEWAL to the County of Monterey Agreement for Professional Services (hereinafter, "RENEWAL") is made and entered into, by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "County"), and Biomedical Systems Corporation (hereinafter, "CONTRACTOR") (collectively, the County and CONTRACTOR are referred to as the "Parties.").

WHEREAS, the Parties had previously entered into an Agreement for Professional Services (hereinafter, "Agreement"), on July 1, 2006 and

WHEREAS, the Agreement was amended on July 1, 2007 (hereinafter, "Amendment No. 1"); and on July 1, 2008 (hereinafter, "Amendment No. 2"); and on July 1, 2009 (hereinafter, "Amendment No. 3"); and on July 1, 2010 (hereinafter, "Amendment No. 4"); and on July 1, 2011 (hereinafter, "Amendment No. 5");

WHEREAS, the Agreement and all Amendments are attached hereto as Attachment 1; and

WHEREAS, that Agreement expired on June 30, 2012 and

WHEREAS, the Parties wish to renew the Agreement on the same or similar terms, beginning July 1, 2012 and increase the amount payable by \$30,000 to continue to provide services associated with Cardiac Monitoring Services within the County of Monterey.

NOW THEREFORE, the Parties agree as follows:

1. The Agreement is hereby renewed on its prior terms and conditions as set forth in Attachment 1, incorporated herein by this reference, except as specifically set forth below.
2. The term of this RENEWAL is from July 1, 2012 to June 30, 2013 unless sooner terminated pursuant to the terms of this RENEWAL, or extended in writing.
3. County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Attachment 1, subject to the limitations set forth in this RENEWAL. The total amount payable by County to CONTRACTOR shall not exceed the sum of \$170,000.
4. If there is any conflict or inconsistency between the provisions of Agreement, or this RENEWAL, the provisions of this RENEWAL shall govern.

IN WITNESS WHEREOF, the parties hereby execute this RENEWAL as follows:

**NATIVIDAD
MEDICAL CENTER**

By: _____
NMC Contracts/Purchasing Agent

Date: _____

By: [Signature]
Department Head (if applicable)

Date: 2/2/13

By: _____
Anne Brauer, Deputy County Counsel

Date: _____

By: _____
Auditor/Controller

Date: _____

CONTRACTOR

Biomedical Systems Corp.
Contractor's Business Name***

[Signature]
Signature of Chair, President, or Vice-President

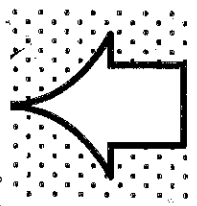
James E. Ott, President Card. Div.
Name and Title

Date: 2/5/2013

By: [Signature]
Signature of Secretary, Asst. Secretary,
CFO, Treasurer or Asst. Treasurer

Accounting Mgr.
Name and Title

Date: 2-5-13



***INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

biomedical systems

ACKNOWLEDGEMENT OF SERVICES PROVIDED FOR HOLTER MONITORING

**Natividad Medical Center
1441 Constitutional Blvd.
Building 500
Salinas, CA 93911**

- Equipment: BMS to provide a sufficient number of digital Holter recorders for use by Natividad Medical Center patients. Recorders will include hookup kits, instruction sheets, lead-wires, and digital memory cards.
- Scanning Services: Biomedical Systems will provide a web-based computer application, Data Exchange, for transmitting digital Holter recordings to Biomedical Systems for analysis, and for retrieving completed Holter reports.
- Billing: For all patients, BMS will charge Natividad Medical Center \$70.00 per Holter test. Invoices will be generated monthly, and terms will be per the Monterey County Service Agreement.
- Enrollments: Natividad Medical Center agrees to promptly submit enrollment information (either on-line or via facsimile) for each patient that is scheduled for Holter Monitoring services.
- Training: BMS will provide comprehensive in-service training for the Natividad Medical Center staff on proper patient hook-up, use of Data Exchange software, and all other appropriate topics related to Holter Monitoring Services.
- Service: Maintenance and service on all monitors shall be provided by Biomedical Systems.

Signature

Date

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ACKNOWLEDGEMENT OF SERVICES PROVIDED FOR CARDIAC EVENT MONITORING

**Natividad Medical Center
1441 Constitutional Blvd.
Building 500
Salinas, CA 93911**

- Equipment:** Biomedical Systems (BMS) to provide a sufficient number of Cardiac Event recorders for use by Natividad Medical Center patients. Each recorder will come complete with enough supplies (batteries, electrodes, etc.) to provide up to 30 days of monitoring. With each new patient enrollment, BMS will ship a replacement monitor to Natividad Medical Center.
- Receiving Services:** BMS will provide a transtelephonic arrhythmia monitoring receiving call center staffed twenty-four (24) hours a day, seven (7) days a week, including holidays. BMS will also provide access to our Global Cardio web-based application for the purpose of enrolling patients for Cardiac Event monitoring services, and retrieving patient reports.
- Billing:** For all patients, BMS will charge Natividad Medical Center \$200.00 per Cardiac Event Monitoring test. Invoices will be generated monthly, and terms will be per the Monterey County Service Agreement.
- Enrollments:** Natividad Medical Center agrees to promptly submit enrollment information (either on-line or via facsimile) for each patient placed on Cardiac Event Monitoring services.
- Training:** BMS will provide comprehensive in-service training for the Natividad Medical Center staff on proper patient hook-up, use of Global Cardio software, and all other appropriate topics related to Cardiac Event Monitoring Services.
- Service:** Maintenance and service on all monitors shall be provided by Biomedical Systems.

Signature

Date

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ACKNOWLEDGEMENT OF SERVICES PROVIDED FOR CARDIAC EVENT MONITORING

**Natividad Medical Center
1441 Constitutional Blvd.
Building 500
Salinas, CA 93911**

- Equipment: Biomedical Systems (BMS) to provide a sufficient number of Cardiac Event recorders for use by Natividad Medical Center patients. Each recorder will come complete with enough supplies (batteries, electrodes, etc.) to provide up to 30 days of monitoring. With each new patient enrollment, BMS will ship a replacement monitor to Natividad Medical Center.
- Receiving Services: BMS will provide a transtelephonic arrhythmia monitoring receiving call center staffed twenty-four (24) hours a day, seven (7) days a week, including holidays. BMS will also provide access to our Global Cardio web-based application for the purpose of enrolling patients for Cardiac Event monitoring services, and retrieving patient reports.
- Billing: For all patients, BMS will charge Natividad Medical Center \$200.00 per Cardiac Event Monitoring test. Invoices will be generated monthly, and terms will be per the Monterey County Service Agreement.
- Enrollments: Natividad Medical Center agrees to promptly submit enrollment information (either on-line or via facsimile) for each patient placed on Cardiac Event Monitoring services.
- Training: BMS will provide comprehensive in-service training for the Natividad Medical Center staff on proper patient hook-up, use of Global Cardio software, and all other appropriate topics related to Cardiac Event Monitoring Services.
- Service: Maintenance and service on all monitors shall be provided by Biomedical Systems.

Signature

Date

biomedical systems

ACKNOWLEDGEMENT OF SERVICES PROVIDED FOR MOBILE TELEMETRY AND CARDIAC EVENT MONITORING

**Natividad Medical Center
1441 Constitutional Blvd.
Building 500
Salinas, CA 93911**

- Equipment:** Biomedical Systems (BMS) to provide a complete TruVue monitoring system for each Natividad Medical Center patient enrolled for Mobile Telemetry or Cardiac Event Monitoring service. Each monitor will come complete with enough supplies (batteries, electrodes, etc.) to provide up to 16 days of monitoring. Additional supplies will be shipped directly to the patient if needed.
- Receiving Services:** BMS will provide an arrhythmia monitoring center staffed twenty-four (24) hours a day, seven (7) days a week, including holidays. BMS will also provide access to our Global Cardio web-based application for the purpose of enrolling patients for Mobile Telemetry or Cardiac Event Monitoring services, and retrieving patient reports.
- Billing:** BMS will bill the patient's insurance for the technical component (CPT code 93229) for each Mobile Telemetry test ordered by Natividad Medical Center. For Cardiac Event Monitoring tests ordered by Natividad Medical Center, BMS will bill the patient's insurance for CPT code 93271, the technical component for Cardiac Event Monitoring.
- Enrollments:** Natividad Medical Center agrees to promptly submit enrollment information (either on-line or via facsimile) for each patient placed on Mobile Telemetry or Cardiac Event Monitoring services.
- Training:** BMS will provide comprehensive in-service training for the Natividad Medical Center staff on proper patient hook-up, use of Global Cardio software, and all other appropriate topics related to Mobile Telemetry and Cardiac Event Monitoring Services.
- Service:** Maintenance and service on all monitors shall be provided by Biomedical Systems.

Signature

Date

biomedical systems

ACKNOWLEDGEMENT OF SERVICES PROVIDED FOR MOBILE TELEMETRY AND CARDIAC EVENT MONITORING

**Natividad Medical Center
1441 Constitutional Blvd.
Building 500
Salinas, CA 93911**

Equipment: Biomedical Systems (BMS) to provide a complete TruVue monitoring system for each Natividad Medical Center patient enrolled for Mobile Telemetry or Cardiac Event Monitoring service. Each monitor will come complete with enough supplies (batteries, electrodes, etc.) to provide up to 16 days of monitoring. Additional supplies will be shipped directly to the patient if needed.

Receiving Services: BMS will provide an arrhythmia monitoring center staffed twenty-four (24) hours a day, seven (7) days a week, including holidays. BMS will also provide access to our Global Cardio web-based application for the purpose of enrolling patients for Mobile Telemetry or Cardiac Event Monitoring services, and retrieving patient reports.

Billing: BMS will bill the patient's insurance for the technical component (CPT code 93229) for each Mobile Telemetry test ordered by Natividad Medical Center. For Cardiac Event Monitoring tests ordered by Natividad Medical Center, BMS will bill the patient's insurance for CPT code 93271, the technical component for Cardiac Event Monitoring.

Enrollments: Natividad Medical Center agrees to promptly submit enrollment information (either on-line or via facsimile) for each patient placed on Mobile Telemetry or Cardiac Event Monitoring services.

Training: BMS will provide comprehensive in-service training for the Natividad Medical Center staff on proper patient hook-up, use of Global Cardio software, and all other appropriate topics related to Mobile Telemetry and Cardiac Event Monitoring Services.

Service: Maintenance and service on all monitors shall be provided by Biomedical Systems.

Signature

Date

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	July 12, 2011	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement (#A-11719) with Biomedical Systems Corporation for Cardiac Monitoring Services at NMC in an amount not to exceed \$140,000 in the aggregate and \$21,500 for the period July 1, 2011 to June 30, 2012.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #5 to the Agreement (#A-11719) with Biomedical Systems Corporation for Cardiac Monitoring Services at NMC in an amount not to exceed \$140,000 in the aggregate and \$21,500 for the period July 1, 2011 to June 30, 2012.

SUMMARY/DISCUSSION:


The Cardiopulmonary Department at NMC will frequently receive orders from physicians requesting continued cardiac monitoring for patients to determine cardiac function. Biomedical Systems Corporation provides our facility with the hardware for data capture and receives the patient's data using a secure web-based technology for editing, and formatting completed Cardiac Reports. The Cardiopulmonary Department will process and review the patient's report with the Cardiologists for complete interpretation.


OTHER AGENCY INVOLVEMENT:

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$21,500 and is included in the 2011/2012 Fiscal Year Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:
John Nevill, Director of Cardiopulmonary 
755-4366
May 19, 2011
Attachments: Amendments #1, 2, 3, 4, 5, Original Agreement, Board Order



Harry Weis
Chief Executive Officer

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. A-11719

Authorize the Purchasing Manager for Natividad)
Medical Center (NMC) to execute Amendment No. 5)
to the Agreement No. A-11719 with Biomedical)
Systems Corporation for Cardiac Monitoring Services)
at NMC in an amount not to exceed \$140,000 in the)
aggregate and \$21,500 for the period July 1, 2011 to)
June 30, 2012.....)

Upon motion of Supervisor Calcagno, seconded by Supervisor Armenta, and carried by those
members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to
execute Amendment No. 5 to the Agreement No. A-11719 with Biomedical
Systems Corporation for Cardiac Monitoring Services at NMC in an amount not
to exceed \$140,000 in the aggregate and \$21,500 for the period July 1, 2011 to
June 30, 2012.

PASSED AND ADOPTED on this 12th day of July, 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby
certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the
minutes thereof of Minute Book 75 for the meeting on July 12, 2011.

Dated: July 13, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Chut Armenta
Deputy

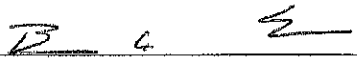
**RENEWAL AMENDMENT NO. 5
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Biomedical Systems Corporation AND
THE NATIVIDAD MEDICAL CENTER
FOR
Cardiac Monitoring SERVICES**

The parties to Professional Service Agreement, dated November 27, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Biomedical Systems Corporation (Contractor), hereby agree to renew their Agreement No. (A-11719) on the following amended terms and conditions:

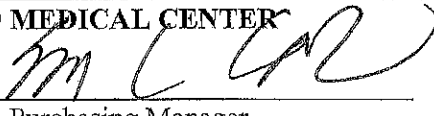

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (A-11719).
2. This Renewal Amendment shall become effective on July 1, 2011 and shall continue in full force and extending the term date until June 30, 2012.
3. The total amount payable by County to Contractor under Agreement No. (A-11719) shall not exceed the total sum of \$140,000 for the full term of the Agreement and \$21,500 for fiscal year 2011-2012.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (A-11719).

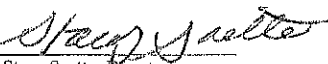
IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

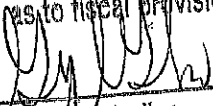
Signature  Dated 3/22/11
 Printed Name BRIAN G. EATON Title DIRECTOR

NATIVIDAD MEDICAL CENTER

Signature  Dated 6-9-11
 Purchasing Manager
 Signature  Dated 5/12/11
 NMC - CEO

Approved as to Legal Form:
 Charles J. McKee, County Counsel
 By 
 Stacy Saetta, Deputy
 Attorneys for County and NMC

Dated: 6/18 2011

Reviewed as to fiscal provisions

 Auditor/Controller
 County of Monterey 5-18-11

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	June 8, 2010	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors (outlined in the Board Order) at NMC in FY 2010-11.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors (outlined in the Board Order) at NMC in FY 2010-11.

SUMMARY/DISCUSSION:

At the end of each fiscal year Natividad Medical Center must renew expiring service contracts with various vendors in order to maintain a current purchase order. This ensures timely payment of invoices and avoids any disruption in services. Attachment A to this report is a list of current vendor service contracts requiring renewal for Fiscal Year 2010-2011. All of the contracts are Amendments to previous established contracts with no changes in the scope of service. NMC will do separate reports for all amended contracts that include a change to the scope of service.

OTHER AGENCY INVOLVEMENT:

The Amendments have been reviewed and approved by County Counsel County Counsel, the Auditor/Controller's office and by the Natividad Medical Center Board of Trustees.

FINANCING:

The cost of the Contract Amendments is \$813,500 and is included in the FY 2010-11 Recommended Budget. This action will not require any additional General Fund subsidy.

Prepared by:
Sid Cato, Management Analyst
April 29, 2010
Attachments: Attachment A

Harry Weis
Chief Executive Officer

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

**Agreement No: A - 11715; A - 11716; A - 10493; A - 11717; A - 11718; A - 11719;
A - 11720; A - 11721**

Authorize the Purchasing Manager for Natividad Medical Center (NMC))
to execute the contract renewal amendments for the continuation of)
various existing services with multiple vendors (outlined in the Board)
Order) at NMC in Fiscal Year (FY) 2010-11.)

Upon motion of Supervisor Parker, seconded by Supervisor Potter, and carried by those members present, effective July 1, 2010, the Board hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute the contract renewal amendments for the continuation of various existing services with multiple vendors at NMC in Fiscal Year 2010-11 with the following multiple vendors:

Vendor Name	Service	Amendment	Current Contract Term Dates	F/Y 11 AMOUNT
Medisean Staffing Services (A-11715)	Temporary Staffing Services	#2	1-15-09 thru 6-30-11	\$10,000.00
Development Dimensions International Inc (DDI) (A-11716)	Leadership Development Services	#4	11-15-07 thru 6-30-11	\$25,000.00
Quest Diagnostics (A-10493)	Reference Lab Testing	#4	5-1-09 thru 6-30-11	\$535,000.00
Automatic Door Systems (A-11717)	Maintenance & Repairs of all Automatic Doors at NMC	#5	7-1-06 thru 6-30-11	\$25,000.00
Barrera Landscaping (A-11718)	Landscaping Services	#1	7-1-09 thru 6-30-11	\$87,000.00
Biomedical Systems (A-11719)	Cardiac Monitoring Services	#4	11-27-06 thru 6-30-11	\$21,500.00
Full Steam Marketing & Design (A-11720)	Advertising & Public Relations	#4	7-1-05 thru 6-30-11	\$30,000.00
PRI Medical Technologies Amendment #1 (A-11721)	Laser, Guided Imagery, Lithotripsy & Cryotherapy	#1	4-15-09 thru 6-30-11	\$80,000.00

PASSED AND ADOPTED this 15th day of June, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on June 15, 2010.

Dated: June 17, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By 
Deputy

**RENEWAL AMENDMENT NO. 4
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Biomedical Systems Corporation AND
THE NATIVIDAD MEDICAL CENTER
FOR
Cardiac Monitoring SERVICES**

The parties to Professional Service Agreement, dated November 27, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Biomedical Systems Corporation (Contractor), hereby agree to renew their Agreement No. (BPO517) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (BPO517).
2. This Renewal Amendment shall become effective on July 1, 2010 and shall continue in full force and extending the term date until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (BPO517) shall not exceed the total sum of \$118,500 for the full term of the Agreement and \$21,500 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (BPO517).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature Brian G. Eaton Dated 3/19/10
 Printed Name BRIAN G. EATON Title Director

NATIVIDAD MEDICAL CENTER

Signature [Signature] Dated 4/26/10
 Purchasing Manager
 Signature [Signature] Dated 4/26/10
 NMC - CEO

Approved as to Legal Form:
Charles J. McKee, County Counsel

By Stacy Saetta
Stacy Saetta, Deputy
Attorneys for County and NMC

Reviewed as to fiscal provisions
 [Signature]
 Auditor Controller
 County of Monterey
 4-26-10
 Dated: 4/26, 2010

**RENEWAL AMENDMENT NO. 3
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Biomedical Systems Corporation AND
THE NATIVIDAD MEDICAL CENTER
FOR
Cardiac Monitoring SERVICES**

The parties to Professional Service Agreement, dated November 27, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Biomedical Systems Corporation (Contractor), hereby agree to renew their Agreement No. (B960969501) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (B960969501);
2. This Renewal Amendment shall become effective on July 1, 2009 and shall continue in full force and extending the term date until June 30, 2010.
3. The total amount payable by County to Contractor under Agreement No. (B960969501) shall not exceed the total sum of \$97,000 for the full term of the Agreement and \$25,000 for fiscal year 2009-2010.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (B960969501).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature [Signature] Dated 5/20/09
 Printed Name Brian G. Eaton Title Director

NATIVIDAD MEDICAL CENTER

Signature [Signature] Dated 6/17/09
 Purchasing Manager

Signature [Signature] Dated 5/28/09
 NMC - CEO

Approved as to Legal Form:
 Charles J. McKee, County Counsel
 By [Signature]
 William Litt, Deputy
 Attorneys for County and NMC

Dated: 6/11, 2009

Reviewed as to Fiscal Provisions
[Signature]
 Add-on Controller
 County of Monterey
 6/16/09

RENEWAL AMENDMENT NO. 2
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Biomedical Systems Corporation AND
THE COUNTY OF MONTEREY
FOR
CARDIAC MONITORING SERVICES

The parties to Professional Service Agreement, dated November 27, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Biomedical Systems Corporation (Contractor), hereby agree to renew their Agreement No. (B960869501) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (B960869501).
2. This Renewal Amendment shall become effective on July 1, 2008 and shall continue in full force and extending the term date until June 30, 2009.
3. The total amount payable by County to Contractor under Agreement No. (B960869501) shall not exceed the total sum of \$72,000 for the full term of the Agreement; and \$24,000 for fiscal year 2008-2009.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (B960869501)

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature [Signature]

Dated 3/19/08

Printed Name BRAND G. CATON

Title DIRECTOR

COUNTY OF MONTEREY

Signature [Signature]

Dated 7/15/08

Purchasing Manager

Signature [Signature]

Dated APR 07 2008

NMC-CEO

Approved as to Legal Form:

Charles J. McKee, County Counsel

By [Signature]

W. Allen Bidwell, Deputy
Attorneys for County and NMC

Dated: 04-02, 2008

RENEWAL AMENDMENT NO. 1
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN BIOMEDICAL SYSTEMS AND
THE COUNTY OF MONTEREY
FOR
CARDIAC MONITORING SERVICES

The parties to Professional Service Agreement, dated Nov. 27, 2006 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Biomedical Systems (Contractor), hereby agree to renew their Agreement (PO#B960769501) on the following amended terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement (PO#B960769501)
2. This Renewal Amendment shall become effective on July 1, 2007 and shall continue in full force until June 30, 2008
4. The total amount payable by County to Contractor under Agreement (PO#B960769501) shall not exceed the total sum of \$24,000 *plus O.D.*
5. All other terms and conditions of the Agreement shall continue in full force and effect.
6. A copy of this Amendment shall be attached to the original Agreement (PO#B960769501)

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature *James E. Ott*
Printed Name James E. Ott

Dated 2/21/07
Title President, Cardiology Div.

COUNTY OF MONTEREY

Signature *[Signature]*
Purchasing Manager

Dated 7/3/07

Signature *[Signature]*
NMC - CEO

Dated 5/22/07

Approved as to Legal Form:
Charles J. McKee, County Counsel
By *W. Allen Bidwell*
W. Allen Bidwell, Deputy
Attorneys for County and NMC

Dated: 05-21-, 2007

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(NOT TO EXCEED \$25,000)

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and Elomedical
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of this Agreement. The services are generally described as follows: Provide Cardiac Monitoring Services

2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 24,000.00.

3. **TERM OF AGREEMENT.** The term of this Agreement is from July 1, 2006 to June 30, 2007, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
 HIPAA Business Associate Agreement
 Fee Schedule and Description of Services

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. INDEMNIFICATION. CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.01. ~~Insurance Coverage Requirements:~~ Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval). *Services are provided offsite via telephone and computer.*

Workers' Compensation insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

9.02. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement which entitles County, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.01. Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02. County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04. Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County's and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Name and Title	BRIAN SATOH, Director Name and Title
Address	77 Progress Parkway ST. LOUIS, MO 63043 Address
Phone	314 - 576 - 6800 Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01. ~~Conflict of Interest.~~ CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement which would directly or indirectly conflict in any manner

or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.02. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.04. Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

15.05. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.07. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.08. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.09. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10. Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

15.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12. Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

15.13. Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15. Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

15.16. Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

15.17. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

This space is left blank, intentionally.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: [Signature]
Purchasing Manager
Date: 11-28-06

By: _____
Department Head (if applicable)
Date: _____

Approved as to Form

By: W. Allen Bidwell
County Counsel
Date: 11-17-2006

Approved as to Fiscal Provisions¹

By: _____
Auditor/Controller
Date: _____

RISK MANAGEMENT
COUNTY OF MONTEREY

Approved as to Liability Provisions/
INDEMNITY/
INSURANCE LANGUAGE

By: [Signature]
Risk Management
Date: 11/28/06

CONTRACTOR

Biomedical Systems
Contractor's Business Name*

By: [Signature]
(Signature of Chair, President, or
Vice-President)*

Jim Ott, President
Name and Title

Date: 10/30/2006

By: Tom Moeckle
(Signature of Secretary, Asst. Secretary, CFO, or
Asst. Treasurer)*

Tom Moeckle, CFO
Name and Title

Date: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

¹Approval by Auditor/Controller is necessary only if changes are made in paragraph 6 or if changes are made in paragraph 2 by amendment.

²Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9.

EXHIBIT A



Biomedical Systems

2484 West Port Plaza Drive
St. Louis, MO 63148
314-876-8800



Biomedical Systems Proposal for Cardiac Monitoring Services Natividad Medical Center

Biomedical Systems Company Background

Since 1978, Biomedical Systems has provided Cardiac Monitoring services to hospitals, physicians, clinics, and universities around the world. The company pioneered Holter monitoring services, and is unique among Holter service providers in that we developed and manufacture our own Holter analysis system. Initially developed for internal use in our service, the system proved so successful that it is now sold to physicians, hospitals, and other service providers around the world. In fact, several of our competitors are using our Holter analysis systems to deliver reports to their customers!

We are a premier provider of cardiac event monitoring services 24 hours a day - 7 days a week. Our knowledgeable and friendly staff, using the newest web-based technology for receiving, editing, and posting ECG reports, provides the highest levels of service to our customers across the country.

Biomedical Systems' worldwide headquarters are in St. Louis, Missouri, and our European headquarters are in Brussels, Belgium. The privately held company has more than 135 dedicated employees, and enjoys annual revenues in excess of \$25 million dollars.

Holter Monitoring Services

Biomedical Systems was one of the first companies to offer nationwide Holter monitoring services in the late 1970's. In those days, the state-of-the-art Holter recording technology was a 2 pound reel-to-reel tape recorder worn by the patient! Since that time, we have analyzed more than one million Holter recordings.

In 2003, the company continues to innovate. Today, our customers enjoy the use of a sophisticated digital Holter recorder that weighs a mere 5 ounces and records the patient's ECG for either 24 or 48 hours. When the patient returns the recorder to the ordering facility, our customers utilize our proprietary internet application, Data Exchange, to digitally transmit the ECG to our secure computer servers located in St. Louis. Our credentialed laboratory technicians analyze each recording using our Century series Holter analysis system, and post a completed report back to the web site within 24 hours of receipt at Biomedical Systems. When our customer logs back on to the HIPAA compliant Data Exchange program, a final report is waiting to be viewed and/or printed. This turnaround time of less than 24 hours is one of the fastest in the industry.

In addition to providing a sufficient quantity of digital Holter recorders to each customer to meet their volume requirements, we also provide all consumable items such as compact flash cards, electrodes, batteries, and patient diaries.



Biomedical Systems

2464 West Port Plaza Drive
St. Louis, MO 63148
314-876-8800



CPT Codes for Holter Monitoring Services

CPT Code	Description
93225	Holter Hookup
93226	Electrocardiographic monitoring for 24 hours by continuous original ECG waveform recording and storage, with visual superimposition scanning. Includes scanning analysis and report
93227	Physician Review and Interpretation

BMS billing for Holter Monitoring Services

Biomedical Systems will bill Natividad Medical Center for all patients for the Technical Component (CPT code 93226) \$70.00 for 24 hour patients and \$140.00 for 48 hour patients.

Cardiac Event Monitoring Services

Biomedical systems takes great pride in being able to offer superior cardiac event monitoring services from a team of certified cardiology technicians that staff our laboratory 24 hours a day, seven days a week.

Each of our accounts is supplied with an adequate stock of the industry standard King of Hearts memory loop recorder to meet their volume of tests ordered. (Note: other recorders, including the non-looping HeartCard, are available). Each recorder comes complete with enough electrodes, batteries, and other consumable items to allow the patient to use the device for up to 30 days. A pre-paid shipping envelope is also included so that the patient can return the event recorder directly to Biomedical Systems at the conclusion of the monitoring period.

Our customers are continuously re-supplied with monitors as tests are ordered. When Biomedical Systems receives an enrollment form for a new patient, a replacement monitor is immediately shipped to the account, assuring that monitors are always available when a physician orders a cardiac event procedure.

During the monitoring period patients call our toll-free telephone number after they have felt a symptom and recorded an ECG. Our cardiac technicians will then ask the patients to describe their symptoms, what they were doing when they experienced their symptoms; and then ask them to transmit the ECG from the event recorder. Our personnel are very familiar with the operation of our event recorders, and can help instruct elderly patients on how to make the transmission. Once the transmission has been received, our technicians will prepare a report to be delivered to the referring physician either via fax or via our internet-based ReportWeb.



Biomedical Systems

2464 West Port Plaza Drive
St. Louis, MO 63148
314-576-8800



If the transmitted ECG demonstrates an abnormal rhythm that fits pre-established notification criteria, a physician may be contacted immediately by our personnel. These notification criteria may be established individually per customer or per physician preference.

Biomedical Systems offers several report formats that can be selected by the customer or physician, and can make them available through the internet utilizing our ReportWeb capability. Physicians or Nurses with an internet connection can log on to our secure ReportWeb and review any of their patient transmissions within minutes of the ECG being transmitted to Biomedical Systems.

CPT Codes for Cardiac Event Recording

CPT Code	Description
93268	Patient demand single or multiple event recording with pre-symptom memory loop, 24-hour attended monitoring, per 30 day period of time; includes transmission, physician review and interpretation.
93270	Hookup and disconnect
93271	Technical component (monitoring, receipt of transmissions, analysis)
93272	Physician review and interpretation

BMS billing for Cardiac Event Monitoring Services

Biomedical Systems will bill:

Nativityd Medical Center for all patients for the Technical Component (CPT code 93271). \$200.00 per patient.

BUSINESS ASSOCIATE AGREEMENT

This Agreement, hereinafter referred to as "Agreement", is made effective July 1, 2006 by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, hereinafter referred to as "Covered Entity", and Biomedical hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

WITNESSETH:

WHEREAS, Sections 261 through 264 of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, known as "the Administrative Simplification provisions," direct the Department of Health and Human Services to develop standards to protect the security, confidentiality and integrity of health information; and

WHEREAS, pursuant to the Administrative Simplification provisions, the Secretary of Health and Human Services has issued regulations modifying 45 CFR Parts 160 and 164 (the "HIPAA Privacy Rule"); and

WHEREAS, the Parties wish to enter into or have entered into an arrangement whereby Business Associate will provide certain services to Covered Entity, and, pursuant to such arrangement, Business Associate may be considered a "business associate" of Covered Entity as defined in the HIPAA Privacy Rule and is hereby referred to as the "Service Agreement"; and

WHEREAS, Business Associate may have access to Protected Health Information (as defined below) in fulfilling its responsibilities under such arrangement;

THEREFORE, in consideration of the Parties' continuing obligations under the Service Agreement, compliance with the HIPAA Privacy Rule, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the provisions of this Agreement in order to address the requirements of the HIPAA Privacy Rule and to protect the interests of both Parties.

I. DEFINITIONS

Except as otherwise defined herein, any and all capitalized terms in this Section shall have the definitions set forth in the HIPAA Privacy Rule. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Privacy Rule, as amended, the HIPAA Privacy Rule shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Privacy Rule, but are nonetheless permitted by the HIPAA Privacy Rule, the provisions of this Agreement shall control.

The term "Protected Health Information" means individually identifiable health information including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Business Associate acknowledges and agrees that all Protected Health Information that is created or received by Covered Entity and disclosed or made available in any form, including paper record, oral communication, audio recording, and electronic display by Covered Entity or its operating units to Business Associate or is created or received by Business Associate on Covered Entity's behalf shall be subject to this Agreement.

II. CONFIDENTIALITY REQUIREMENTS

(a) Business Associate agrees:

(i) to use or disclose any Protected Health Information solely; (1) for meeting its obligations as set forth in any agreements between the Parties evidencing their business relationship or (2) as required by applicable law, rule or regulation, or by accrediting or credentialing organization to whom Covered Entity is required to disclose such information or as otherwise permitted under this Agreement, the Service Agreement (if consistent with this Agreement and the HIPAA Privacy Rule), or the HIPAA Privacy Rule, and (3) as would be permitted by the HIPAA Privacy Rule if such use or disclosure were made by Covered Entity;

(ii) at termination of this Agreement, the Service Agreement (or any similar documentation of the business relationship of the Parties), or upon request of Covered Entity, whichever occurs first, if feasible, Business Associate will return or destroy all Protected Health Information received from or created or received by Business Associate on behalf of Covered Entity that Business Associate still maintains in any form and retain no copies of such information, or if such return or destruction is not feasible, Business Associate will extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information not feasible; and

(iii) to ensure that its agents, including a subcontractor, to whom it provides Protected Health Information received from or created by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply to Business Associate with respect to such information. In addition, Business Associate agrees to take reasonable steps to ensure that its employees' actions or omissions do not cause Business Associate to breach the terms of this Agreement.

(b) Notwithstanding the prohibitions set forth in this Agreement, Business Associate may use and disclose Protected Health Information as follows:

(i) if necessary, for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided that as to any such disclosure, the following requirements are met:

(A) the disclosure is required by law; or

(B) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(ii) for data aggregation services, if to be provided by Business Associate for the health care operations of Covered Entity pursuant to any agreements between the Parties evidencing their business relationship. For purposes of this Agreement, data aggregation services means the combining of Protected Health Information by Business Associate with the protected health information received by Business Associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.

(c) Business Associate will implement appropriate safeguards to prevent use or disclosure of Protected Health Information other than as permitted in this Agreement. The Secretary of Health and Human Services shall have the right to audit Business Associate's records and practices related to use and disclosure of Protected Health Information to ensure Covered Entity's compliance with the terms of the HIPAA Privacy Rule. Business Associate shall report to Covered Entity any use or disclosure of Protected Health Information which is not in compliance with the terms of this Agreement of which it becomes aware. In addition, Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or

disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

III. AVAILABILITY OF PHI

Business Associate agrees to make available Protected Health Information to the extent and in the manner required by Section 164.524 of the HIPAA Privacy Rule. Business Associate agrees to make Protected Health Information available for amendment and incorporate any amendments to Protected Health Information in accordance with the requirements of Section 164.526 of the HIPAA Privacy Rule. In addition, Business Associate agrees to make Protected Health Information available for purposes of accounting of disclosures, as required by Section 164.528 of the HIPAA Privacy Rule.

IV. TERMINATION

Notwithstanding anything in this Agreement to the contrary, Covered Entity shall have the right to terminate this Agreement and the Service Agreement immediately if Covered Entity determines that Business Associate has violated any material term of this Agreement. If Covered Entity reasonably believes that Business Associate will violate a material term of this Agreement and, where practicable, Covered Entity gives written notice to Business Associate of such belief within a reasonable time after forming such belief, and Business Associate fails to provide adequate written assurances to Covered Entity that it will not breach the cited term of this Agreement within a reasonable period of time given the specific circumstances, but in any event, before the threatened breach is to occur, then Covered Entity shall have the right to terminate this Agreement and the Service Agreement immediately.

V. MISCELLANEOUS

Except as expressly stated herein or the HIPAA Privacy Rule, the parties to this Agreement do not intend to create any rights in any third parties. The obligations of Business Associate under this Section shall survive the expiration, termination, or cancellation of this Agreement, the Service Agreement and/or the business relationship of the parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

This Agreement may be amended or modified only in a writing signed by the Parties. No Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party. None of the provisions of this Agreement are intended to create, nor will they be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. This Agreement will be governed by the laws of the State of California. No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

The parties agree that, in the event that any documentation of the pursuant to which Business Associate provides services to Covered Entity contains provisions relating to the use or disclosure of Protected Health Information which are more restrictive than the provisions of this Agreement, the provisions of the more restrictive documentation will control. The provisions of this Agreement are intended to establish the minimum requirements regarding Business Associate's use and disclosure of Protected Health Information.

In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect. In addition,

in the event a party believes in good faith that any provision of this Agreement fails to comply with the then-current requirements of the HIPAA Privacy Rule, such party shall notify the other party in writing. For a period of up to thirty days, the parties shall address in good faith such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, after such thirty-day period, the Agreement fails to comply with the HIPAA Privacy Rule, then either party has the right to terminate upon written notice to the other party.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

COVERED ENTITY:

BUSINESS ASSOCIATE:

By: _____

By: Jim Ott

Title: _____

Title: President, Caloblogy

Date: _____

Date: 10/30/2006